Mr. David Childs Office of Management and Budget 17th Street and Pennsylvania Avenue NW. Washington, D.C. 20503

Dear Mr. Childs:

Enclosed is the agency's final decision on the 2002 inventory of inherently governmental and commercial functions for the Office of Inspector General's (OIG) activities as required by the guidelines of the Office of Management and Budget's (OMB) Circular A-76 and the Federal Activities Inventory Reform (FAIR) Act of 1998.

As we have indicated in our earlier submissions, the agency's position remains that this OIG's programs are all inherently governmental in nature and, thus, not subject to the contracting requirements of OMB Circular A-76 and the FAIR Act. However, in support of the intent of the legislation and related regulations, we have attempted to identify functions that could have the potential for contracting out at the discretion of the Inspector General (IG). The discretion of the IG to use commercial services in lieu of in-house sources would be based solely upon the premise that there will be no compromise in the exercise of judgment and discretion or the integrity and independence inherent in the IG Act in fulfilling the agency's statutory mission.

If you have any questions or need additional information, please contact me on (202) 720-6979 or Del Thornsbury, Director, Resources Management Division, on (202) 720-4474.

Sincerely,

PAULA F. HAYES Assistant Inspector General for Policy Development and Resources Management

2 Enclosures

OFFICE OF INSPECTOR GENERAL 2002

Commercial FTE Inventory Worksheet

	Org Unit	<u>Location</u>				<u>Status</u>					Additional Information				
Seq No.	Agy_Bur Abbreviation	State	City	Country	Total FTEs	Activity Fct Code	Status Re	ason	Reason Sub_Code	First Year On Inventory			Est Ann Cost Comp Savings	Year of MEO Review	
						B - Perso	nnel Mana	gemen	t						
1 2 3	005-08 USDA, OIG, PDF 005-08 USDA, OIG, PDF 005-08 USDA, OIG, PDF	DC DC DC	Washington Washington Washington	US US US	2 4 3	B301 B700 B000	C C C	A A A		1999 1999 1999					
						F - Procu	rement								
4 5	005-08 USDA, OIG, PDR 005-08 USDA, OIG, PDR	DC DC	Washington Washington	US US	2 2	F320 F399	C C	A A		1999 1999					
						I - Investi	gations								
6 7 8	005-08 USDA, OIG, Auc 005-08 USDA, OIG, INV 005-08 USDA, OIG, Auc	KS DC KS	Kansas City Washington Kansas City	US US US	4 3 36	1000 1200 1420	C C	A A A		1999 1999 2002					
						T - Other	NonManuf	acturin	g Operations	;					
9 10	005-08 USDA, OIG, PDF 005-08 USDA, OIG, PDF	DC DC	Washington Washington	US US	1 2	T819 T820	C C	A A		1999 1999					
						W - Automatic Data Processing									
11 12 13 14 15 16	005-08 USDA, OIG, PDI 005-08 USDA, OIG, PDI	DC DC DC DC DC DC	Washington Washington Washington Washington Washington Washington Washington	US US US US US US US	1 1 1 1 2 1	W000 W410 W500 W824 W826 W829 W999	000000	A A A A A A		2002 2002 2000 2000 1999 2002 2000					
						Y - Other Selected Functions									
18	005-08 USDA, OIG, PDI	DC	Washington	US	4	Y511	С	С		1999					